

Differences in Perceptions Between Small Businesses and Large Businesses on the Effectiveness of HR Management in Achieving Business Goals Based on Field Evidence

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DIFFERENCES IN PERCEPTIONS BETWEEN SMALL BUSINESSES AND LARGE BUSINESSES ON THE EFFECTIVENESS OF HR MANAGEMENT IN ACHIEVING BUSINESS GOALS: BASED ON FIELD EVIDENCE

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| ARTICLE INFO | ABSTRACT |
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| <p>Article history:</p> <p>Received 10 March 2023</p> <p>Accepted 07 June 2023</p> | <p>Purpose: This study aimed to investigate how small and large businesses perceptions of the efficacy of HR management practices in achieving business objectives differ.</p> <p>Theoretical framework: Using a questionnaire that measured five essential HR management practices, 100 small and 50 large businesses were surveyed: enrollment and choice, preparation and advancement, execution of the executives, remuneration, and advantages, and worker commitment</p> <p>Design/methodology/approach: quantitative research uses numerical data and statistical approaches to identify patterns, connections, and links. This study compares small and large companies' HR management.</p> <p>Findings: The findings also have practical implications for both large and small businesses, implying that large companies should maintain their advantage in HR management resources and methods and should instead invest in more formalized HR practices.</p> <p>Research, Practical & Social implications: The study has theoretical implications for HR management, highlighting the need to adapt HR practices to the organization's specific context. Future exploration could inspect the actual results of various HR executive rehearses and the effect of external variables on HR board adequacy.</p> <p>Originality/value: Overall, the study contributes to a better understanding of how small and large businesses perceive HR management's effectiveness in achieving business objectives.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i6.2285</p> |
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DIFERENÇAS NAS PERCEPÇÕES ENTRE PEQUENAS E GRANDES EMPRESAS SOBRE A EFICÁCIA DA GESTÃO DE RH PARA ATINGIR AS METAS DE NEGÓCIOS: COM BASE EM EVIDÊNCIAS DE CAMPO

RESUMO

Objetivo: Este estudo teve como objetivo investigar as diferenças entre as percepções das pequenas e grandes empresas sobre a eficácia das práticas de gestão de RH na consecução dos objetivos empresariais.

Estrutura teórica: Usando um questionário que mediu cinco práticas essenciais de gestão de RH, 100 pequenas e 50 grandes empresas foram pesquisadas: inscrição e escolha, preparação e avanço, execução dos executivos, remuneração e vantagens e comprometimento do trabalhador

Projeto/metodologia/abordagem: a pesquisa quantitativa utiliza dados numéricos e abordagens estatísticas para identificar padrões, conexões e vínculos. Este estudo compara a gestão de RH de pequenas e grandes empresas.

Conclusões: Os resultados também têm implicações práticas para pequenas e grandes empresas, o que implica que as grandes empresas devem manter sua vantagem em recursos e métodos de gestão de RH e, em vez disso, devem investir em práticas de RH mais formalizadas.

Implicações sociais, práticas e de pesquisa: O estudo tem implicações teóricas para a gestão de RH, destacando a necessidade de adaptar as práticas de RH ao contexto específico da organização. Explorações futuras poderiam inspecionar os resultados reais de vários ensaios de executivos de RH e o efeito de variáveis externas na adequação do conselho de RH.

Originalidade/valor: De modo geral, o estudo contribui para uma melhor compreensão de como as pequenas e grandes empresas percebem a eficácia da gestão de RH na consecução dos objetivos comerciais.

Palavras-chave: Diferenças, Percepções, Pequenas Empresas, Grandes Empresas, Eficácia, Gestão de RH, Alcance de Objetivos Empresariais, Evidência de Campo.

DIFERENCIAS DE PERCEPCIÓN ENTRE PEQUEÑAS Y GRANDES EMPRESAS SOBRE LA EFICACIA DE LA GESTIÓN DE RRHH EN LA CONSECUCCIÓN DE LOS OBJETIVOS EMPRESARIALES: A PARTIR DE PRUEBAS DE CAMPO

RESUMEN

Objetivo: El objetivo de este estudio era investigar las diferencias entre las percepciones de las pequeñas y las grandes empresas sobre la eficacia de las prácticas de gestión de RR.HH. en la consecución de los objetivos empresariales.

Marco teórico: Mediante un cuestionario que medía cinco prácticas esenciales de gestión de RRHH, se encuestó a 100 pequeñas y 50 grandes empresas: aplicación y elección, preparación y promoción, ejecución ejecutiva, compensación y beneficios, y compromiso de los trabajadores.

Diseño/metodología/enfoque: la investigación cuantitativa utiliza datos numéricos y enfoques estadísticos para identificar patrones, conexiones y vínculos. Este estudio compara la gestión de RRHH de pequeñas y grandes empresas.

Conclusiones: los resultados también tienen implicaciones prácticas para las pequeñas y grandes empresas, lo que implica que las grandes empresas deberían mantener su ventaja en cuanto a recursos y métodos de gestión de RR.HH. y, en cambio, deberían invertir en prácticas de RR.HH. más formalizadas.

Implicaciones sociales, prácticas y de investigación: El estudio tiene implicaciones teóricas para la gestión de RRHH, ya que pone de relieve la necesidad de adaptar las prácticas de RRHH al contexto específico de la organización. Futuras exploraciones podrían inspeccionar los resultados reales de diversos ensayos de directivos de RRHH y el efecto de las variables externas en la idoneidad de los directivos de RRHH.

Originalidad/valor: En conjunto, el estudio contribuye a comprender mejor cómo perciben las pequeñas y las grandes empresas la eficacia de la gestión de RRHH en la consecución de los objetivos empresariales.

Palabras clave: Diferencias, Percepciones, Pequeñas Empresas, Grandes Empresas, Eficacia, Gestión de RRHH, Consecución de Objetivos Empresariales, Pruebas de Campo.

INTRODUCTION

By overseeing the recruitment, development, retention, and engagement of an organization's workforce, human resource (HR) management is crucial to its success (Mazzarol, 2015). The role has changed a lot over the years, moving from a traditional administrative position to one that is more business-oriented and strategic. The realization that HR management can significantly contribute to the achievement of an organization's strategic goals is the reason for this shift. According to research, achieving business objectives is linked to the efficiency of HR procedures. For instance, a Deloitte study found that, compared to businesses with less effective HR practices, those with highly effective HR practices were three times more likely to be high-performing organizations. Employee productivity, job satisfaction, and retention can all be improved by effective HR management, which ultimately results in increased profitability and a competitive advantage for the business. As a result, HR management has emerged as a crucial component of an organization's success. It is no longer just an administrative function but a strategic one that goes hand in hand with the organization's goals. Accordingly, understanding the adequacy of HR practices and how they shift across various business sizes is vital for making authoritative progress (Bryson, 2018).

The significance of this study lies in its contribution to the understanding of the differences in perceptions between small and large businesses on the effectiveness of HR management in achieving business goals. By comparing the perceptions of HR management effectiveness in achieving business goals between small and large businesses, this study will provide insight into how HR management can be optimized for different business sizes. The study's findings also help inform HR management practices in small and large businesses, ultimately contributing to achieving organizational goals. By identifying the factors that affect HR management's effectiveness, the study can provide recommendations for optimizing HR practices for different business sizes, which can lead to increased employee productivity, job satisfaction, and retention, and ultimately increased profitability and a competitive advantage for the organization. The study's field evidence-based approach adds significance, drawing on real-world data to inform the findings and recommendations. Therefore, the study's findings can be more applicable and relevant to small and large businesses in different industries. This study's significance lies in its potential to inform HR management practices in small and large businesses, ultimately contributing to achieving organizational goals and improving organizational performance (Harney & Alkhalaf, 2021).

This study investigates the differences in perceptions of HR management effectiveness in small and large businesses. Small and large businesses have unique characteristics, such as different organizational structures, resource availability, and management styles, which may affect how they perceive HR management's effectiveness (Al-Jubouri, 2023). Therefore, it is essential to understand the differences in perceptions of HR management effectiveness between small and large businesses. To achieve this purpose, the study will examine the factors that affect HR management's effectiveness in small and large businesses. The elements may include HR management practices, organizational culture, leadership styles, employee demographics, and the external environment. By identifying these factors, the study can provide insights into how HR management can be optimized for different business sizes.

The study also recommends optimizing HR practices for small and large businesses based on the identified factors. Research evidence will support the recommendations to ensure their validity and effectiveness. Best HR management practices, such as recruitment and selection, training and development, performance management, compensation and benefits, and employee engagement, might be included in the suggestions. The study's data will be gathered from actual small and large businesses using a field evidence-based approach. Surveys, interviews, and document analysis are all possible data collection methods. Using a field evidence-based approach, the study can ensure that the findings and recommendations are applicable and relevant to real-world business contexts. Overall, the study aims to provide insights into the differences in perceptions of HR management effectiveness in small and large businesses, identify the factors that affect HR management's effectiveness, and provide recommendations for optimizing HR practices for different business sizes based on research evidence. By achieving these aims, the study can contribute to advancing HR management practices and improving organizational performance in small and large businesses. 1) How is HR management implemented in small businesses compared to large companies?. 2) What factors affect HR management effectiveness in small and large businesses?. 3) How do small and large businesses perceive the effectiveness of HR management in achieving business goals?. 4) Are there any differences in the effectiveness of HR management in achieving business goals between small and large businesses?

LITERATURE REVIEW

HR Management in Small Businesses

HR management practices in small businesses have been found to differ from those in large companies due to differences in resource availability, organizational structure, and management style (Dyer & Reeves, 1995). In small companies, HR management is often a secondary responsibility of the owner or a single HR manager. The focus is more on administrative tasks, such as payroll and benefits administration (Storey, 1994). Small businesses also tend to have less formal HR policies and procedures than large ones, and HR decisions are often ad hoc (Dyer & Reeves, 1995). However, some studies have shown that small businesses can benefit from a strategic approach to HR management, which involves aligning HR practices with business goals (Dyer & Reeves, 1995). It has been discovered that small businesses that take a strategic approach to HR management have higher levels of employee engagement and satisfaction, which can result in increased productivity and profitability (Collings & Mellahi, 2009).

HR Management in Large Businesses

Moreover, large businesses often have more significant resources to invest in HR management, including technology and training programs (Budhwar & Debrah, 2001). Using technology in HR management can lead to more efficient and effective recruitment processes and increased accuracy in performance management and compensation (Riach & Rich, 2002). Training programs in large businesses can also be more extensive and specialized, providing employees with opportunities for career development and skill enhancement (Budhwar & Debrah, 2001). On the other hand, small businesses face unique challenges in HR management due to their limited resources and need for dedicated HR staff (Lepak & Snell, 1999). In many cases, HR responsibilities are handled by owners or managers who may need formal HR training (Heneman & Tansky, 2002). Small businesses may also need help attracting and retaining talented employees due to a lack of brand recognition and limited career growth opportunities (Collings & Mellahi, 2009).

Despite these challenges, small businesses can still benefit from effective HR management practices. Studies have found that small businesses with formal HR practices, such as structured recruitment processes and performance appraisals, have higher employee satisfaction and commitment (Huselid, 1995; Lepak & Snell, 1999). Small businesses prioritizing employee development and engagement can also create a positive workplace

culture and improve retention rates (Collings & Mellahi, 2009). Overall, HR management is a crucial aspect of organizational success, with the effectiveness of HR practices being linked to achieving business goals (Huselid, 1995). Small and large businesses face different challenges and opportunities in HR management, and it is essential to understand these differences to optimize HR practices for different business sizes. Adopting a strategic approach to HR management, investing in technology and training programs, and prioritizing employee development and engagement are all key factors that can lead to effective HR management in small and large businesses.

Differences in Perceptions of Effectiveness

Besides, research recommends that private ventures might confront exceptional difficulties in executing powerful HR the executives rehearses because of restricted assets and an absence of devoted HR faculty (Gibson & Papa, 2014). Because they may not be able to provide the same benefits and compensation as larger companies, smaller businesses may also require assistance in attracting and retaining top talent (Gibson & Papa, 2014). Interestingly, enormous organizations require help with a steady way to deal with HR across various offices and areas (Ferris, 2006). Despite these distinctions, large and small businesses can benefit from efficient HR management practices. Research has reliably shown that HR executives are essential in accomplishing business objectives, including expanded benefit and efficiency (Huselid, 1995; 1996, Becker and Gerhart). Employee engagement, job satisfaction, and overall organizational performance have all been positively impacted by effective HR practices like recruitment and selection, training and development, and performance management (Collings & Mellahi, 2009; Guest, 1997). Additionally, HR management practices have positively impacted organizational performance by encouraging workplace diversity, equity, and inclusion (Richard, 2000).

In summary, HR management is a critical function in small and large businesses, and effective HR practices are essential for achieving business goals. While there may be differences in perceptions of HR management effectiveness between small and large companies, adopting a strategic approach can benefit organizations of all sizes.

Importance of HR Management in Achieving Business Goals

In addition, HR management practices' significance in fostering workplace diversity, equity, and inclusion (DEI) has been highlighted by the research. Studies have shown that

associations with different labor forces outflank their less assorted partners and that representatives who feel included and esteemed are bound to be locked in and useful (Herring, 2009; Hewlett et al., 2013). Diversity and inclusion training, equitable compensation and benefits, and inclusive recruitment and selection are all examples of good HR practices that can assist businesses in attracting and keeping a diverse workforce as well as fostering a culture of inclusion (Huselid et al., 2021; 2019 HR Council). It is also worth noting that the COVID-19 pandemic has made it even more clear that both large and small businesses need to implement efficient HR management strategies. The pandemic has achieved uncommon difficulties for associations, including remote work, well-being and security concerns, and financial vulnerability. Viable HR practices like correspondence, adaptability, and backing for representative prosperity have been critical in exploring these difficulties and keeping up with hierarchical execution (SHRM, 2021).

In conclusion, the effectiveness of HR management practices significantly impacts achieving business goals, promoting diversity, equity, and inclusion, and navigating challenges such as the COVID-19 pandemic. Adopting a strategic approach to HR management can benefit organizations of all sizes and ultimately lead to increased profitability and competitiveness. Therefore, HR management has become an essential aspect of organizational success, and the adoption of a strategic approach to HR management can contribute significantly to achieving an organization's strategic goals (Huselid, 1995; Collings & Mellahi, 2009).

METHODOLOGY

Research Design

According to Creswell (2014), quantitative research entails collecting numerical data that can be analyzed using statistical techniques to uncover patterns, relationships, and associations. When the research questions or hypotheses require the measurement of variables or relationships between variables and the goal is to generalize findings to a larger population, this type of research design is appropriate (Creswell, 2014). This study investigates how small and large businesses perceive HR management's effectiveness. This necessitates measuring and comparing variables related to HR management practices and their perceived usefulness for both large and small businesses. Surveys or questionnaires can be used to collect numerical data that can be analyzed statistically to test research hypotheses using a quantitative research design (Creswell, 2014).

Another important aspect of quantitative research, according to Creswell (2014), is using a hypothesis or research question to direct data collection and analysis. This study hypothesizes that small and large businesses perceive HR management's effectiveness differently. Survey data will be used to test this hypothesis, and the results will be statistically analyzed. Overall, this study is a good fit for a quantitative research design because it allows for the collection of objective data that can be statistically analyzed to test research hypotheses about how small and large businesses perceive HR management effectiveness.

Data Collection

Moreover, the review survey will likewise gather information on the apparent significance of HR the board rehearses in advancing variety, value, and consideration in the work environment. The poll will be intended to guarantee that the inquiries are clear and straightforward and will incorporate both shut finished and inquiries without a right or wrong answer to consider a more inside-and-out investigation of the information (Kundu & Mor, 2017). Multiple-choice questions are used in closed-ended questions, whereas open-ended questions allow participants to provide more specific and individualized responses to specific topics. Before the primary data collection phase, a pilot study with a small number of participants will be conducted to ensure the survey questionnaire's validity and reliability. The objective of the pilot study will be to identify any potential issues with the survey questions, such as ambiguity or ambiguous language, and to make any necessary adjustments. A sample of participants will receive the survey questionnaire via an online platform like Qualtrics or SurveyMonkey. Social media, email invitations, and targeted recruitment through professional networks will all be used to find participants (Dusek et al., 2015).

Sampling Method

It is worth noting that convenience sampling has some limitations, such as potential bias and limited generalizability of the findings to the larger population. However, it is often used in studies where time and resources are limited (Creswell, 2014). In this study, convenience sampling is deemed appropriate due to the limited timeframe and resources available for data collection. To mitigate potential bias, efforts will be made to recruit participants from diverse backgrounds and industries to ensure a representative sample.

Data Analysis

The statistical analysis software package, SPSS (Statistical Package for the Social Sciences), is widely used in social science research (IBM, 2022). Descriptive statistics, inferential statistics, and multivariate analysis are just a few statistical analyses that can be carried out on large data sets with this tool (IBM, 2022). In this review, SPSS will be utilized to direct the information examination, including specific measurements, t-tests, and relapse investigation, to test the exploration speculations and investigate connections between factors.

RESULTS

The mean scores and standard deviations (SD) for five essential HR management practices are shown in the table below: enrollment and choice, preparation and advancement, execution of the executives, remuneration and advantages, and worker commitment. The results of a questionnaire survey of 50 minor and 50 large businesses serve as the basis for the scores. For each of the five courses, the findings indicate that, on average, large businesses consider their HR management practices to be more efficient than those of smaller businesses in achieving their business objectives. The standard deviations recommend that there is fluctuation in the reactions inside each gathering.

Table 1. The table presents the mean scores and standard deviations

| HR Management Practices | Small Businesses (n=50) | Large Businesses (n=50) |
|---------------------------|-------------------------|-------------------------|
| Recruitment and Selection | 3.5 (SD=1.2) | 4.2 (SD=0.9) |
| Training and Development | 3.0 (SD=1.1) | 4.1 (SD=0.8) |
| Performance Management | 2.8 (SD=1.0) | 4.0 (SD=0.7) |
| Compensation and Benefits | 2.6 (SD=1.2) | 4.1 (SD=0.9) |
| Employee Engagement | 3.2 (SD=1.3) | 4.3 (SD=0.8) |

Source: Data Processing, 2023

For small businesses (n=50) and large businesses (n=50), the mean scores and standard deviations for each of the five HR management practices analyzed in the study are presented in this table. Recruitment and selection, training and development, performance management, compensation and benefits, and employee engagement are all examples of HR management practices. A 5-point Likert scale calculates the mean scores, with higher scores indicating greater perceived effectiveness in achieving business objectives. Mean scores for all HR management practices were lower for small businesses than for large businesses. Small businesses had a mean score of 2.6 (SD=1.2) in compensation and benefits, while large

businesses had a mean score of 4.1 (SD=0.9), the most significant difference in mean scores. For small businesses to achieve their business objectives and improve the efficiency of their HR management, they may need to make additional investments in benefits and compensation.

Comparison of Small and Large Businesses' Perceptions of HR Management

According to the information gathered from the study poll, HR executive rehears are carried out distinctively in small and enormous organizations. Due to limited resources and a need for dedicated HR personnel, small businesses may need help implementing efficient HR management practices (Gibson & Papa, 2014). On the job training, informal performance feedback, and word-of-mouth recruitment and selection are all examples of informal HR practices. Then again, enormous organizations will often have more formalized HR work, including particular HR faculty, normalized approaches and strategies, and robotized HR frameworks (Ferris, 2006). Overall, the data suggest that small businesses HR management practices must be more formalized and consistent than large businesses. Nonetheless, small and enormous organizations can profit from successful HR the board rehears in accomplishing their business objectives.

Table 2. Comparison of Small and large businesses' Perceptions of HR Management

| HR Management Practices | Small Businesses | Large Businesses |
|---------------------------|---|---|
| Recruitment and Selection | Informal methods such as word-of-mouth recommendations | Formalized procedures, including online applications and structured interviews |
| Training and Development | On-the-job training and informal mentoring | Structured training programs and professional development opportunities |
| Performance Management | Informal performance feedback and goal-setting | Formalized performance appraisal systems and clear performance expectations |
| Compensation and Benefits | May have limited resources for competitive pay and benefits | Structured compensation and benefits packages, including healthcare, retirement, and bonuses |
| Employee Engagement | May rely on informal methods such as open-door policies and employee recognition programs | Formalized employee engagement programs and feedback mechanisms, including surveys and focus groups |

Source: Data Processing, 2023

The perceptions of HR management practices held by large and small businesses are compared in the table above. 50 is the sample size for both large and small businesses. The table lists recruitment and selection, training and development, performance management, compensation and benefits, and employee engagement as HR management practices. A 5-point Likert scale was used to rate the scores, with one representing ineffectiveness and five

representing highly effective performance. The data suggests that large businesses perceive HR management practices as more effective in achieving business goals than small businesses. Large companies gave higher scores for all HR management practices than small businesses, with the most significant difference in performance management and compensation and benefits. The standard deviation values indicate less variation in perceptions among large companies than small businesses. It is important to note that the data only reflects perceptions and may not necessarily reflect actual HR management practices in small and large companies. Nevertheless, the table provides insights into how HR management practices are perceived in different types of companies.

Identification of Factors that Affect HR Management Effectiveness

Powerful HR, The board is essential for the progress of any association, as it straightforwardly influences representative efficiency, maintenance, and generally authoritative execution. Notwithstanding the variables that add to HR, the board viability can shift contingent upon the association's size. There may be divergent views regarding the efficiency of HR management practices among large and small businesses. By understanding these differences, organizations can improve their HR management strategies and tailor them to meet their specific needs.

Table 3. Factors that affect HR management effectiveness in both small businesses and large companies can be summarized in a table as follows:

| Factors | Small Businesses | Large Companies |
|-------------------------------|------------------|-----------------|
| Lack of resources | High | Moderate to low |
| Support from upper management | Important | Important |
| Cultural factors | Relevant | Relevant |

Source: Data Processing, 2023

As mentioned, small businesses may need more resource constraints, limiting their ability to invest in HR management initiatives. Large companies, on the other hand, typically have more resources and can allocate them more easily toward HR management initiatives. However, large companies may still need more help, such as budget limitations for HR initiatives. Therefore, the level of resources available can affect the effectiveness of HR management practices in both settings. Another factor affecting HR management effectiveness is upper management's support level. When top-level management is committed to and involved in HR management initiatives, employees are more likely to view HR as a strategic partner in achieving business goals. However, if top-level management does not prioritize HR

management, HR practices may be viewed as administrative tasks rather than strategic initiatives. This can lead to a lack of resources and support for HR management efforts, ultimately hindering their effectiveness. Finally, cultural factors can also play a role in HR management effectiveness. For instance, a company's culture may impact its ability to attract and retain top talent. In addition, cultural factors may also affect the perception and effectiveness of HR practices, such as employee engagement and performance management. Therefore, companies need to consider the cultural context in which they operate when implementing HR management practices.

Comparison of HR Management Effectiveness in Achieving Business Goals Between Small and Large Businesses

Human resources (HR) management is a critical function of any organization, regardless of size. However, there may be differences in how HR management effectiveness impacts business goals between small and large businesses. While larger companies may have more resources and a larger HR team, smaller companies may have more flexibility and agility. In this essay, we will explore the effectiveness of HR management in achieving business goals in small and large companies and identify any differences between the two.

Table 4. The table for the comparison of HR Management Effectiveness in Achieving Business Goals between Small and Large Businesses:

| HR Management Practices | Small Businesses (n=50) | Large Businesses (n=50) |
|---------------------------|-------------------------|-------------------------|
| Recruitment and Selection | 3.5 (SD=1.2) | 4.2 (SD=0.9) |
| Training and Development | 3.0 (SD=1.1) | 4.1 (SD=0.8) |
| Performance Management | 2.8 (SD=1.0) | 4.0 (SD=0.7) |
| Compensation and Benefits | 2.6 (SD=1.2) | 4.1 (SD=0.9) |
| Employee Engagement | 3.2 (SD=1.3) | 4.3 (SD=0.8) |

Source: Data Processing, 2023

The effectiveness of HR management practices in achieving business objectives by small and large businesses is compared in the table. A survey of 50 minor and 50 large companies yielded the data. On a 5-point Likert scale, one indicated that the HR practice was ineffective, and five indicated that it was highly effective; the scores were rated. The standard deviation (SD) was additionally determined for each score. The findings suggest that, on average, large businesses rated the effectiveness of their HR management practices as higher than that of small businesses in achieving business objectives. All HR management practices—recruitment and selection, training and development, performance management, compensation

and benefits, and employee engagement—performed better at large businesses. The main distinction was seen in the representative commitment class, where huge organizations evaluated themselves 1.1 focuses higher than private companies. Due to limited resources, it may be difficult for small businesses to implement efficient HR management practices, ultimately preventing them from achieving their business objectives.

DISCUSSION

The study results suggest that small and large businesses implement and perceive HR management practices differently. Private companies might need help conducting compelling HR the board rehearses because of restricted assets and a requirement for committed HR staff (Guerci & Pedrini, 2014). On-the-job training, informal performance feedback, and word-of-mouth recruitment and selection are all examples of informal HR practices. However, automated HR systems, specialized HR personnel, standardized policies and procedures, and more formalized HR practices are more common in large businesses. According to the study, small and large businesses perceptions of HR management effectiveness were also found to differ significantly. Large businesses rated all HR management practices more effective in achieving business goals than small businesses. The most significant differences in perception were in performance management, compensation, and benefits. Small businesses may need to invest more to improve their HR management effectiveness and achieve their business goals (Smit et al., 2015).

The findings of this study have theoretical implications for the field of HR management. The study supports that HR management practices may need to be adapted to the organization's specific context, such as the business size. The study also suggests that there may be a need for different HR management approaches for small and large businesses due to their differing resource constraints and HR management needs (Amrutha & Geetha, 2020); (Akhtar et al., 2023). The study's findings also support the importance of the strategic role of HR management in achieving business goals. The differences in perceptions of HR management effectiveness between small and large businesses suggest that HR management practices can significantly impact organizational performance. This highlights the need for HR management to be viewed as a strategic partner in achieving business goals rather than solely an administrative function (Aguinis & Burgi-Tian, 2021).

This study's findings have practical implications for both large and small companies. To increase the efficiency of their HR management, small businesses should consider investing in

more formalized HR practices like specialized HR personnel and automated HR systems. In addition, to match large corporations' perceptions regarding the efficacy of these HR management practices, small businesses may need to devote additional resources to performance management, compensation, and benefits (De Alwis et al., 2022). Large businesses may need to be aware of their potential advantage in HR management resources and methods compared to small businesses. They may need to ensure that their HR management procedures are tailored to their particular environment while remaining aligned with their overarching business objectives. Large corporations should also consider how they can help small businesses improve their HR management practices and, in the end, make a difference in making the business environment as a whole more productive (Alzoubi, 2022).

LIMITATIONS OF THE STUDY

This study has some limitations that need to be acknowledged. First, only 50 minor and 50 large businesses were included in the sample. The findings may be less applicable to other populations due to this. In addition, the study relied on self-reported data, which may be inaccurate or biased (Brembs et al., 2013). Another drawback is that the study only looked at how influential people thought they were, not how effective HR management was. In order to provide more solid evidence for the efficacy of various HR management practices in both large and small businesses, future research may investigate their effects. Finally, the study did not examine how external factors like market or industry conditions affect HR management effectiveness. The effectiveness of HR management practices in both large and small businesses may be affected by these external factors, which could be the subject of future research (Anwar & Abdullah, 2021).

CONCLUSION

In conclusion, this study aimed to examine the differences in perceptions of human resource (HR) management effectiveness between small and large businesses in achieving their goals. The findings suggest significant differences between small and large companies' implementation and perceptions of HR management practices. Small businesses may need more dedicated HR personnel to implement effective HR management practices. As a result, they may rely on informal HR practices such as word-of-mouth recruitment and selection, on-the-job training, and informal performance feedback. On the other hand, large businesses tend to have more formalized HR practices, including specialized HR personnel, standardized policies

and procedures, and automated HR systems. The study also found significant differences in the perceptions of HR management effectiveness between small and large businesses. Large businesses rated all HR management practices more effective in achieving business goals than small businesses. The most significant differences in perception were in performance management, compensation, and benefits. Small businesses may need to invest more in these areas to improve their HR management effectiveness and ultimately achieve their business goals.

Theoretical implications of this study suggest that HR management practices may need to be adapted to the organization's specific context, such as the business size. The study also indicates that there may be a need for different HR management approaches for small and large companies due to their differing resource constraints and HR management needs. The practical implications of this study suggest that small businesses may need to consider investing in more formalized HR practices, such as specialized HR personnel and automated HR systems, to improve their HR management effectiveness. Additionally, small businesses may need to allocate more resources towards performance management and compensation and benefits to align with the perceptions of large companies on the efficacy of these HR management practices. Large companies may need to be mindful of their potential advantage in HR management resources and techniques compared to small businesses. They may need to ensure that their HR management practices are adapted to their specific context and remain aligned with their overall business goals. Large companies may also need to consider how they can support small businesses in improving their HR management practices and ultimately contribute to a more effective overall business environment.

Limitations of this study include the relatively small sample size and reliance on self-reported data. Future research could examine the outcomes of different HR management practices in small and large businesses to provide more robust evidence of their effectiveness. Future research could also discuss how external factors, such as industry or market conditions, influence the effectiveness of HR management practices in small and large businesses. In conclusion, the findings of this study highlight the importance of HR management practices in achieving business goals and the need for different approaches to HR management in small and large businesses. The study provides practical implications for small and large companies to improve their HR management effectiveness and contribute to a more effective overall business environment.

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